

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of)
the Licenses to Conduct Gambling Activities of:)

Lucky Dragonz Casino)
Seattle, Washington,)

Licensee.)
_____)

NO. CR 2014-02374

**NOTICE OF ADMINISTRATIVE
CHARGES AND OPPORTUNITY
FOR AN ADJUDICATIVE
PROCEEDING**

I.

The Washington State Gambling Commission issued Lucky Dragonz Casino, Organization Number 00-23001, the following licenses:

Number 53-21262, authorizing Class "A" Commercial Amusement Games activity; and
Number 67-00323, authorizing Class "15" House Banked Cardroom activity;

The licenses expire on June 30, 2015, and were issued subject to the licensee's compliance with state gambling laws and regulations.

II.

David Trujillo, Director of the Washington State Gambling Commission, charges the licensee with the following violation(s) of the Washington State Gambling Act, 9.46 RCW, WAC Title 230 and Commission rules:

SUMMARY:

On December 16, 2014, the licensee allowed a minor to gamble in its card room. The licensee was previously issued a Notice of Violation and Settlement (NOVAS)¹ in the amount of \$300, which was paid on June 17, 2014, for allowing a minor to gamble. In addition, the licensee violated a Settlement Order.

FACTS:

- 1) On December 16, 2014, a Washington State Gambling Commission Special Agent (agent) informed another agent that Lucky Dragonz Casino failed an underage compliance inspection.

¹ NOVAS- Notice of Violation and Settlement identifies the violation and gives the licensee the opportunity to pay a fine to settle the matter.

- 2) The minor went to the poker podium to buy chips. The employee asked the minor for identification, reviewed it, and then asked the operative's age. The operative said 21 and the employee again reviewed the identification. The operative was then able to buy in and play at the poker table. The agent said the operative played from 20:55 to 21:15. The dealer also did not ask to see the operative's identification.
- 3) On December 24, 2014, the agent went to Lucky Dragonz Casino and obtained a copy of the surveillance video that showed the employee reviewing the identification and the underage operative gambling.
- 4) On December 30, 2014, the agent went to Lucky Dragonz Casino and issued a NOVAS to the employee. The agent also spoke with the General Manager who said that the employee did not know driver's licenses for persons under 21 is vertical instead of horizontal. He said he would implement new procedures and provide additional training to his staff.
- 5) On December 31, 2014, the General Manager sent an e-mail documenting new procedures for checking identification.

ADMINISTRATIVE HISTORY:

- 1) On June 3, 2014, an agent issued Lucky Dragonz Casino a \$300 NOVAS for allowing a person under the age of 18 to gamble.
- 2) Lucky Dragonz Casino extended credit and failed to comply with numerous Internal Control procedures. On October 12, 2014, the licensee entered into a Settlement Order which provides: The licensee's gambling license is hereby suspended for a period of fifteen (15) days, provided that:
 - (a) Five (5) days of the suspension shall not be currently served, but shall be deferred for a period of one year from the date of entry of this Settlement Order, subject to the following: The licensee must not violate the terms of this Settlement Order, or Washington's gambling statutes and/or regulations during the one (1) year term. If the licensee violates the terms of this order, gambling statutes, or regulations, and if the violation is the type that warrants the filing of administrative or criminal charges, then the Director may impose a five (5) day suspension of the current gambling license and any subsequently acquired gambling license(s).
 - (b) The parties agree that the Director of the Washington State Gambling Commission, pursuant to this settlement, has sole discretion to determine whether the licensee has violated any term of this settlement.

///

///

(c) In the event the Director determines that a violation of this section or any other type of violation has occurred, he may suspend the license(s) issued to Lucky Dragonz Casino, by mailing or delivering a Notice of Administrative Charges to the licensee. The suspension shall be in addition to the consequences of the new violation. The licensee shall be afforded the opportunity to have a hearing on the alleged violations.

VIOLATIONS:

1) RCW 9.46.075 Denial, suspension, or revocation of license, permit

The commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein: (The following subsection applies.)

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control.

2) WAC 230-03-085 Denying, suspending, or revoking an application, license or permit.

We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(The following subsections apply.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

(3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level.

3) WAC 230-06-010 Age restrictions for players.

No person must allow anyone under the age of eighteen to participate in gambling activities except:

(The following subsections apply.)

(1) To play in licensed bingo games when accompanied by an adult member of his or her immediate family or a guardian, who is at least eighteen years old:

(a) "Immediate family" means only the spouse, parents, or grandparents of an individual; and

(b) "Guardian" means only a court-appointed, legal guardian of an individual.

///

///

The previous Settlement Order states that five days of the suspension shall be deferred for one year. If the licensee violates the terms of the order, the Director may impose the five-day suspension in addition to the consequences of the new violation. Lucky Dragonz Casino demonstrated willful disregard for Commission rules by repeatedly allowing a minor to gamble, in violation of WAC 230-06-010. In addition, the licensee violated the terms of the Settlement Order dated October 12, 2014. Therefore, grounds exist to suspend Lucky Dragonz Casino's licenses under RCW 9.46.075(1), WAC 230-03-085(1) and (3), and the 2014 Settlement Order.

III.

Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

You have the right to a hearing. To have a hearing, or to settle the case, the Gambling Commission must receive the hearing request form back from you within 23 days. After we receive this form, we will call you about settlement options. If you do not return the form on time, your license will be revoked. (RCW 34.05.440.)

IV.

I have read this Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding, know the contents of it, believe it to be true, and have executed this Notice in my capacity as Director of the Washington State Gambling Commission.


DAVID TRUJILLO, DIRECTOR 3/4/2015
(DATE)

STATE OF WASHINGTON)
COUNTY OF THURSTON)

I certify I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy, properly addressed with postage prepaid, by regular and certified mail to each party to the proceeding or his or her attorney or authorized agent.

Dated at Olympia, Washington this 4 day of March, 2015

